

Voluntary Disclosure Agreement

This Agreement is made by and between _____, FEIN _____ (hereinafter "Taxpayer") and the Arkansas Department of Finance and Administration (hereinafter "State") and is effective on the date of execution by the state.

Whereas, it is the duty of the State to administer the gross receipts (sales) and compensating (use) tax imposed by Arkansas law; and

Whereas, the Taxpayer has heretofore not filed sales or use tax returns and has not remitted these taxes to the State; and

Whereas, the Taxpayer has not been contacted by the State of Arkansas for a sales or use tax audit or regarding its filing responsibilities for sales or use tax; and

Whereas, the Taxpayer desires to voluntarily come into compliance with Arkansas sales and use tax laws and be in good standing with the State.

Wherefore, the parties hereby mutually covenant and agree as follows

1. The parties agree that the activities and contacts of the Taxpayer within the State of Arkansas are sufficient to require the Taxpayer to comply with the Arkansas tax laws relating to sales and use tax for tax periods beginning on or after _____.
2. The Taxpayer agrees to file a spreadsheet of Arkansas sales tax due for the periods commencing _____ through _____, and remit the tax and interest at the rate of ten percent (10%) per annum (.833 per month) due thereon. The Taxpayer further agrees to file such returns and remit the tax due at the time required by law for subsequent years. Penalty for the period _____ through _____ will be waived upon full payment of tax and interest due.
3. The State will maintain the confidentiality of the agreement and will treat this agreement as confidential tax information within the provisions of Ark. Code Ann. § 26-18-303.
4. The State agrees to waive or not impose any civil penalties against the Taxpayer or its corporate officers for any period ending on or before _____. The State further agrees to not assert any criminal penalties against the Taxpayer or its corporate officers for any periods ending on or before _____.

5. The State further agrees to not audit, assess, or demand payment of any of the above taxes including penalties for any tax periods ending on or before _____. The State reserves the right to audit, assess, and demand payment for any additional sales/use taxes for any tax period beginning on or after _____.
6. The Taxpayer will timely provide notice to the State of any change in its business activities in Arkansas that it would rely upon to claim that it is no longer subject to any of the above taxes.
7. The laws of the State of Arkansas shall govern the interpretation, performance, and enforcement of this agreement.
8. The spreadsheet for the period of this agreement will be filed and tax due and interest will be paid within sixty (60) days of the signing of a formal agreement between the Taxpayer and the State of Arkansas. The 60 days starts the date the Arkansas Nexus and Discovery Unit Manager signs the agreement. The agreement is void if the spreadsheet and tax due is not received by the end of the 60 days.
9. This written agreement constitutes the entire agreement between the parties and may be modified only by written agreement of the parties.

WITNESSETH:

Corporation: _____

By: _____

Title: _____

Date: _____

STATE OF ARKANSAS
ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION
NEXUS AND DISCOVERY UNIT

By: _____

Title: _____

Date: _____